

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: () HCP () IE () IC	Response Timely Filed? (x) Yes () No
Requestor's Name and Address Vista Medical Center Hospital 4301 Vista Rd. Pasadena, TX 77503	MDR Tracking No.: M4-04-0004-01
	TWCC No.:
	Injured Employee's Name:
Respondent's Name and Address American Home Assurance Company c/o Flahive, Ogden & Latson Box 19	Date of Injury:
	Employer's Name: Allegiance Staffing
	Insurance Carrier's No.: 077045535

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
09/25/02	09/27/03	Inpatient Hospitalization	\$12,381.13	\$0.00

PART III: REQUESTOR'S POSITION SUMMARY

Position Summary states in part, "...According to the literal interpretation of the TWCC Rule 134.401 and the further clarification by the TWCC from QRL 01-03, a Carrier may not "deduct" any carve-out costs listed in Rule 134.401©(4). Further, additional reimbursement for implants or any other "carve-out costs" shall only be reimbursed at cost plus 10% if the stop-loss threshold is NOT met. Therefore, in this instance, the Carrier has severely under-reimbursed the billed charges, despite the clear language in the Texas Administrative Code and further clarification provided by the TWCC in QRL 01-03 ..."

PART IV: RESPONDENT'S POSITION SUMMARY

Position Summary states in part, "...This is a medical fee dispute. The dispute concerns the application of the Acute Care Inpatient Hospital Fee Guidelines 28 TAC 134.401 and, in particular, the "stop-loss" provisions in section ©(6) of that rule. This case turns on the \$40,000 threshold for application of the Stop-loss reimbursement schedule. The Stop-loss method is aimed "to ensure fair and reasonable compensation to the hospital for unusually costly services." Sec. 134.401(c)(6). When the requirement for the Stop-loss method is met, that method is used rather than the per diem calculation method..."

PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services."

After reviewing the documentation provided by both parties, it does **not** appear that this particular admission involved "unusually extensive services." Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem plus carve-out methodology described in the same rule.

The total length of stay for this admission was 2 days for surgical. Accordingly, the standard per diem amount due for this admission is equal to \$2,236.00 (2 times \$1,118). In addition, the hospital is entitled to additional reimbursement for (implantables/MRIs/CAT Scans/pharmaceuticals); however the Requestor did not submit an invoice for the implantables. MDR cannot confirm the cost of the implantables; therefore, no additional reimbursement for implantables is indicated.

The Requestor billed \$65,398.04; the Respondent reimbursed the healthcare provider \$36,677.40.

Considering the reimbursement amount calculated in accordance with the provisions of rule 134.401(c) compared with the amount previously paid by the insurance carrier, we find that no additional reimbursement is due for these services.

PART VI: COMMISSION DECISION

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is **not** entitled to additional reimbursement.

Findings and Decision by:

Marguerite Foster

03/09/05

Authorized Signature

Typed Name

Date of Order

PART VII: YOUR RIGHT TO REQUEST A HEARING

Either party to this medical dispute may disagree with all or part of the Decision and has a right to request a hearing. A request for a hearing must be in writing and it must be received by the TWCC Chief Clerk of Proceedings/Appeals Clerk within 20 (twenty) days of your receipt of this decision (28 Texas Administrative Code § 148.3). This Decision was mailed to the health care provider and placed in the Austin Representatives box on _____. This Decision is deemed received by you five days after it was mailed and the first working day after the date the Decision was placed in the Austin Representative's box (28 Texas Administrative Code § 102.5(d)). A request for a hearing should be sent to: Chief Clerk of Proceedings/Appeals Clerk, P.O. Box 17787, Austin, Texas, 78744 or faxed to (512) 804-4011. A copy of this Decision should be attached to the request.

The party appealing the Division's Decision shall deliver a copy of their written request for a hearing to the opposing party involved in the dispute.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.

PART VIII: INSURANCE CARRIER DELIVERY CERTIFICATION

I hereby verify that I received a copy of this Decision in the Austin Representative's box.

Signature of Insurance Carrier: _____ Date: _____